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Minutes of the Executive Committee
Monday, July 17, 2006

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Chair Dwyer called the meeting to order at 8:30 a.m. and led the committee in the Pledge of Allegiance.

Present: County Board Supervisors Jim Dwyer (Chair), Jim Behrend, Pat Haukohl, Ken Herro, Duane Paulson, Bill Mitchell, Bonnie Morris. Supervisor Herro left the meeting at 11:50 a.m.
Also Present: Internal Audit Manager Lori Schubert, Principal Internal Auditor Jackie Siewert, Director of Administration Norm Cummings, Accounting Services Manager Larry Dahl, Information Technology Manager Mike Biagioli, Office Services Coordinator Donna Simmert, Interim 4-H Educator Denise Retzleff, Chief of Staff Lee Esler, Office Services Coordinator Windy Jicha, Legislative Policy Advisor Dave Krahn, Legislative Policy Advisor Mark Mader, Principal Financial Projects Analyst Bob Ries.

Discuss and Consider Ordinance 161-O-031: Amend the Waukesha County Code to Repeal and Recreate Section 7-95(a) 4B Regarding Reimbursement for Out-of-State Travel
MOTION: Paulson moved, Behrend second, to approve Ordinance 161-O-031.

Cummings said this ordinance makes changes to the code regarding how the county determines the maximum allowable daily lodging reimbursement rate from Runzheimer International to the State of Wisconsin's index. In the past Waukesha County had a paid subscription to the Runzheimer services but due to sharp increases from $300 to $1,200 annually, the subscription was discontinued. The State of Wisconsin index is not as detailed in its analysis of cities but it can be used at no charge.

Cummings said we did not renew the membership for 2006 so we are currently using the state rates. The listed rates are for lodging costs before taxes are applied. Employees who spend more than the state listed rates need to pay the excess lodging costs and taxes are then prorated according to the list rate.

Motion carried 7-0.

Discuss and Consider the Following Appointments:
161-A-018: Appointment of Geri Sass to the Waukesha Housing Authority
MOTION: Morris moved, Haukohl second, to approve Appointment 161-A-018. Motion carried 7-0.

161-A-019: Appointment of Raymond Dwyer to the County Zoning Board of Adjustment
MOTION: Behrend moved, Morris second, to approve Appointment 161-A-019. Motion carried 7-0.

Correspondence
Dwyer distributed and reviewed the list of correspondence. He said Supervisors should request copies of listed items from Jicha.

Discuss and Consider the End User Operations & Technology Fund Audit
Schubert provided a short history of the End User Operations & Technology Fund (EUOTF) as outlined in the audit report.

Paulson asked how did you determine that extending computers lives would save money? Schubert said five years ago, the computers we were installing became antiquated more quickly than they do now. We can extend the life of the newer computers to five years for most employees without impairing job duties. There are a small percentage of employees who will need to continue on a four-year replacement schedule. Paulson said he is concerned that extending the lifespan of computers looks good for one year but in the end will cause the county to spend more money.

Dwyer said the county board's EUOTF increased 5% in 2007. The board works to keep costs to a minimum but it is difficult when these costs continue to increase annually. These costs can't continue to grow like this while departments try to keep expenses down. Cummings said we've limited the EUOTF increase at 3% for most departments. The county board office has higher costs because the board's did not have a levy target in 2007 and therefore was billed the full charges for EUOTR. In the beginning we subsidized the fund and now the costs are being pushed out to departments. The cost to operate isn't increasing. We did the same thing with the vehicle replacement program.

Dwyer said the program should focus on what's best for the entire county. We have to find ways to keep these costs down. It doesn't make sense that we keep paying ourselves. Cummings said when new software is added a new server must also be added. Users drive up the costs of this fund, not DOA. These costs dissuade departments from adding additional PCs but should be used to help them decide whether or not to buy new software.

Esler said the original plan was to phase in TCO over seven to ten years. The second chart on page five indicates that the costs increase and decrease. What does the chart reflect? Schubert said the charge explains that support comes from different places such as charges to departments, direct tax levy, fund balance from the fund and general fund, etc. Additional levy is given to departments to help them deal with increases in fund costs that are above and beyond 3% annually.

Mitchell asked how realistic are these charges? Schubert said we looked at the costs but didn't do a full audit on what IT does. It looked like IT was charging according to county policies and procedures. Mitchell asked do the end charges cost more than actual costs to the county? Are departments subsidizing DOA with these fees? Schubert said there are overhead charges built in but she didn't find them to be inflated. The fund is treated like any other internal fund. Mitchell said do we know if the amounts are fair? Schubert said that would require a separate audit to look at overhead billings. Cummings said the audit recommends changes to how DOA allocates funds. He said the recommendation coincides with what he's been looking for to make changes.

Herro asked what does the $2,500 TCO cost include? Schubert said it is blended and covers such things as installing the PC including the standard software package, server costs, wiring, hubs, server maintenance, hardware, personnel costs, etc. Departments are charged for specific software they use and server use is charged to everyone in the county. The server costs are driving the fund. Parks pays for their software but everyone shares the cost and maintenance of their servers.

Cummings said the problem is that when a department adds a feature all departments pay for their service. What should be happening is that the department adding new applications should pay for it and also justifying whether or not it's worth it to add software. Charges are no longer fair because of departmental specialization.

Dwyer said during tight budgeting times, should the county board office charge departments for audits? Why are we charging ourselves for the work we do? Cummings said even though allocations need to change, costs are being appropriately accounted for.

Mitchell asked Cummings what target amount for fund balance he was aiming for? Cummings said he wants to keep it under a million dollars. The vehicle replacement fund started high and eventually came down. The fund balance will come down during the next three years. Mitchell asked will the cost to departments come down or will the money be reinvested in the program? Cummings said charges don't drive the fund. The funds were put in from the general fund money to seed the fund. We stopped using general fund balance and now we're using this fund's fund balance. Esler directed the committee to the chart on page 9 to clarify general fund versus end user fund.

Biagioli explained that besides PCs the following items are included in the EUOTF: servers, operating systems, maintenance fees, software, software maintenance, help desk, upgrades/updates, network charges, monitoring system software, backup components, etc. Cummings said we spend 3% of the budget on this fund including capital projects. Most businesses spend three to 7%.

Schubert reviewed pages six through 17 of the audit, which includes historical information, a financial overview and impact on user departments

Herro said the chart on page 14 indicates the county board office pays approximately $26K for maintenance on nine computers. That is a lot of money to maintain nine computers. The average person wouldn't understand why it costs that much. Cummings said stand-alone computers cost significantly less than networked ones. Most departments receive money in their budgets to cover theses costs. The county board budget didn't have a target so they had to completely absorb the normal charges plus the increased EUOTF annual charges.

Esler said there would be winners and losers with the potential formula on page 14. Cumming's letter indicates that DOA would like to change the formula. Is Cummings looking to refine this formula in the future? Schubert said this is a preliminary formula and recommends further refinement. Refinements are needed with user ids and server listings before changes should be made.

MOTION: Haukohl moved, Behrend second, to accept the EUOTF audit and to refer it to the Finance Committee. Motion carried 7-0.

Discuss and Consider the Proposed Scope for Procurement Card Audit
Schubert provided the committee with background information on the procurement card program in Waukesha County. She said the proposed scope of the procurement card audit is to perform a compliance audit of the procurement card activity. The audit will focus on the adequacy of policies and procedures and users compliance with the policies and procedures.

Paulson said he would like to see procurement card use evaluated more frequently. Dwyer said possibly it could be checked like the unannounced cash counts. This audit will tell if further follow-up is needed. Dwyer said he would like to find out how many procurement transactions are made and the cost of processing a purchase order versus using a procurement card.

MOTION: Haukohl moved, Morris second, to approve the proposed scope for the procurement card audit. Motion carried 7-0.

Update on the Upcoming Waukesha County Fair
Simmert introduced the 4-H interim director Denise Retzleff, who is filling the position, formerly held by Tammy Koop, December 2006. Retleff said the Waukesha County Fair is the culmination of the work done by 4-H youths. The fair gives visitors the opportunity to witness what 4-H members are doing and to learn from the 4-H youth. Retzleff distributed a flyer and a letter advertising the fair.

Paulson asked how many in people are in 4-H in Waukesha County? Retzleff said there are 1,177 youth and 400 registered volunteers. There are 32 4-H clubs throughout the county. The clubs have monthly meetings open to all ages and may cover the following issues: general business, fundraisers, guest speakers, tours of local businesses, etc. All participants become involved in one of 70 possible projects in areas such as model railroads, dogs, dairy, photography, etc.

Simmert explained that due to budget cuts parents have to pay more fees to cover expenses. Leaders of the organization put in more volunteer hours in the UW-Extension office than in previous years and donate supplies to help with expenses.

Dwyer asked do all 4-H members have access to farms? Retzleff said they have a program called Horseless Horse where members use a horse provided by farmers to learn how to ride, care and groom horses. Members have opportunities to work on farms and with animals too. Many of the farmers that let members ride their horses require the members to clean stalls, bail hay, groom, pick stones, etc.

Retzleff said when 4-H started 100 years ago, it was developed so young boys could learn to raise corn. The boys would then teach their parents the methods of farming they learned in the program. The program evolved and spread to urban environments. 4-H has its roots in agriculture but it's really a youth development organization teaching youth to be productive citizens in the community. We continue to promote and change the image of 4-H. We have an after school program that meets five days per week with one day devoted to a 4-H program and there is a 4-H Latino leadership program. In the future, there will be a review community set up to find out ways to better serve Waukesha County.

Approve Minutes of June 19, 2006
MOTION: Herro moved, Behrend second, to approve the minutes of June 19, 2006. Motion carried 7-0.

Discuss and Consider Number and Membership of County Board Standing Committees Under a 25 Member County Board
Esler said in 1986 when he worked with a committee studying the jail and building master plan, he asked them for their goals and then asked that all changes meet their goals. He then asked the committee what organizational goals they have?

Dwyer said the committee needs to look at the organizational structure of a smaller board including the number of committees, salary structure, per diem, etc. Mitchell said we need look at what oversight and jobs the board will have and how to build a balanced and fair workload. Everyone should serve on the same number of committees. Dwyer said the easiest way to do that is not to change how we do business now and have seven committees with each supervisor serving on two. This doesn't address how we will deal with boards, commissions, RFPs, SEWRPC, etc.

Mitchell said supervisors should serve on board and commissions and the like because that's where they learn. Haukohl said she would like to even out the workload and have all supervisors serve on two committees.

Mitchell asked Paulson if he thought the Personnel Committee had enough work to continue standing alone? Paulson said that depends if you want to have an oversight committee? Personnel expenses are 80% of the county budget. Paulson thinks personnel issues would get lost in the Finance Committee. Dwyer said if the Finance and Personnel Committees were combined into one group, they would meet more frequently and for a longer period of time, which would create a severely imbalanced workload for that committee. The Finance Committee currently meets more often and for longer periods of time than any other committee. We also need to look at the cycle of material that comes to board. Do we need to have two county board meetings per month? The board could meet less often but it would also reduce the oversight of the board. We need to find balance.

MOTION: Haukohl moved, Herro second, to retain seven standing committees on the board. Motion carried 7-0.

MOTION: Haukohl moved, Morris second, to have seven members per committee and to amend the code so that each supervisor is required to serve on two committees. Motion carried 7-0.

Supervisor Herro left the meeting at 11:50 a.m.

Paulson said he would like resolutions showing the decisions the Executive Committee makes so the rest of the board will be informed of changes. This will also allow the board to discuss these issues as we go along. Morris suggested to Paulson that all the chairs keep their committee informed of decisions made by the Executive Committee.

Krahn said the motion made today would be built into a future ordinance.

Esler identified four goals the committee addressed in this discussion on a smaller board. He said discussion should fit with these goals and be part of the process.
1. Maintain the least disruptive means to make changes to the board structure by following the current system.
2. Design the best plan of distribution of the internal workload to promote equity and fairness for all supervisors.
3. Provide training, experience and background to supervisors to provide checks and balances of the county executive's proposals and policies.
4. Promote dynamic interest and enthusiasm from supervisors to participate in county board business.

Committee Reports by Committee Chairs for the Following Meetings:
June 20, 2006 – Land Use, Parks and Environment – Mitchell said the committee heard an overview of the Parks and Land Use Department, Parks System and Enterprise Operations Divisions and discussed six zoning ordinances.
June 20, 2006 – Personnel – Paulson said the committee will discuss insurance stuff at the next meeting.
June 21, 2006 – Finance – Haukohl reported that the committee approved two ordinances. The committee heard reports on the End User Cost Allocation Plan, 2007 budget assumptions and transit routes and contract with the City of Waukesha.
July 14, 2006 – Judiciary and Law Enforcement – Morris said the committee met at and toured the Waukesha County Communications. They heard an overview of the Emergency Management Division and a status update on the Waukesha County Communications Center/APCO Study.

MOTION: Paulson moved, Behrend second, to adjourn the meeting at 12:16 p.m. Motion carried 6-0.

Respectfully submitted,

Bonnie J. Morris
Secretary